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October 13, 1988

CORN & SOYBEAN
PRODUCTION
FORECAST

The following are the highlights of the October 12 Crop Production report of the U.S. Department of Agriculture: Corn for grain, forecast at 4.55 billion bushels, up 2 percent from last month, but 36 percent below last year's crop. Soybeans, forecast at 1.50 billion bushels, up 2 percent from Sept. 1, but 22 percent below 1987. Sunflowerseed production was estimated at 1.40 billion pounds, 46 percent below 1987. Cotton output was reduced slightly to 14.7 million bales, slightly below 1987. Peanut production was lowered 2 percent to 4.26 billion pounds.

OATS CROP
SMALLEST SINCE
1866

The production of oats in 1988 is estimated by the U.S. Department of Agriculture at 211 million bushels, 44 percent below the 1987 crop, and smaller than any estimates were first made in 1866. The area harvested was 5.39 million acres, down 22 percent from last year. The yield for grain averaged 39.1 bushels per acre, down 14.9 bushels from last year's yield of 54 bushels. Seeded area totaled 13.9 million acres in 1988, down 22 percent from 1987.

BARLEY
PRODUCTION
DOWN

The production of barley in 1988 is estimated by the U.S. Department of Agriculture at 283 million bushels, 47 percent below last year's crop of 530 million bushels. This year's production was the lowest since the 1953 crop, when 247 million bushels were produced. The average yield per acre is 38.2 bushels, down 14.5 bushels from the 1987 yield. The area harvested for grain in 1988 totaled 7.40 million acres, down 26 percent from last year.

WHEAT PRODUCTION
LOWEST IN 10
YEARS

Total wheat production for 1988 is estimated at 1.81 billion bushels, the lowest in 10 years, according to the U.S. Department of Agriculture. The production estimate is slightly higher than the last forecast, but is down 14 percent from 1987. Winter wheat production is estimated at 1.56 billion bushels, virtually unchanged from both 1987 and the August 1 forecast. Seventeen states set or equaled record high yields, including the entire Southeast. Declines were recorded in the central and northern Plains and most of the Corn Belt. The yields of other spring wheat were reduced to the lowest since 1961. The production estimate of 205 million bushels is the lowest since 1969. The estimate is down a whopping 54 percent from 1987's production. Durum wheat production is estimated at 46.4 million bushels, the lowest level since 1961, and down 50 percent from 1987.

ALL HAY
PRODUCTION
1988

The production of all hay is forecast at 130 million tons, according to the U.S. Department of Agriculture. This is fractionally lower than expected on August 1, and 13 percent less than the quantity produced in 1987. The area harvested is expected to total 66.8 million acres, an increase of 10 percent from a year ago and the largest acreage since 1965. The average yield is forecast at 1.95 tons per acre, the lowest since 1966.

WORLD GRAIN
PRODUCTION

World grain production is forecast by the U.S. Department of Agriculture at 1.5 billion metric tons in 1988/89, down slightly from September. U.S. grain production at 193 million metric tons was up almost 2.5 million mt. from Sept., reflecting larger coarse grain, rice and wheat crops. World grain stocks at the end of 1988/89, 269 million metric tons, would be 32 percent below last season. U.S. stocks of 67 million metric tons would be 60 below last season. World and U.S. wheat forecasts were little changed this month. Global ending stocks are forecast at 21 percent below 1987/88.

WORLD OILSEED
FORECAST

The world oilseed production in 1988/89 is forecast by the U.S. Department of Agriculture at 201 million tons, unchanged from last month, but 3 percent below last year's record crop. Foreign oilseed production is forecast at a record 152.2 million tons, down slightly from last month as lower soybean and peanut crop estimates were largely offset by increases in sunflowerseed and rapeseed. Soybean and peanut production were reduced significantly in China where both flooding and drought have reduced yields. U.S. oilseed production was raised nearly 1 percent to 48.7 million tons, but is down 19 percent from the revised 1987/88 estimate. U.S. soybean production for 1988 was increased 789,000 tons because late-season rains improved yields in many states. Soybean season-average prices are forecast to range between \$7 to \$9 per bushel.

USSR CROP
ESTIMATE
SAME

The 1988 Soviet grain crop estimate continues at 205 million tons, including 91 million tons of wheat; 100 million, coarse grains; and 14 million miscellaneous grains and pulses. The total grain area estimate remains at 115 million hectares. Although the Soviets have yet to release an official total grain production number, several statements reported in the media indicate a crop smaller than last year's, according to the U.S. Department of Agriculture. The seeding progress of winter crops is well ahead of last year, with 36.1 million hectares sown as of October 3.

USSR GRAIN
IMPORT
ESTIMATE UP

This past month there was some pickup in the pace of USSR grain purchases. According to the U.S. Department of Agriculture total purchases from all origins are currently estimates at around 12 million tons. At this time a year ago purchases were approaching 10 million tons. Coarse grains have accounted for the bulk of the recent purchases, with additional U.S. corn sales reported. U.S. corn sales to the USSR already exceed total corn shipments in 1986/87, and 1987/88. The U.S. has yet to sell wheat to the USSR for July-June 1988/89 delivery. At this time last year, the U.S. had already sold over 3 million tons to the USSR under the Export Enhancement Program. Eastern Europe is likely to account for a significantly larger share of the USSR wheat market in 1988/89.

MORE CORN TO USSR On October 11, the USSR purchased 250,000 metric tons of corn for delivery during the 1988/89 marketing year. According to the U.S. Department of Agriculture, this sale brings to 4,306,400 tons of corn purchased by the USSR for delivery during the 1988/89 marketing year. Long Term Grain Agreement negotiations with the Soviet Union were held for October in London.

OCEAN SHIPPING The U.S. Department of Agriculture, along with the Port of Houston, and the Houston World Trade Association, will conduct a workshop on current ocean shipping issues and the Shipping Act of 1984. The workshop will take place at the Hyatt Regency Hotel in Houston on Oct. 27. If interested in attending, contact Steve Jaeger at the Port of Houston (713) 226-2120.

BINDING SAUSAGES The U.S. Department of Agriculture is proposing to allow a wider variety of binders--additives that extend and hold together sausages and similar products--to be used in meat and poultry products. Under the proposed rule, the binders would be listed in Federal regulations under a table of approved substances. The proposal was published in the Oct. 6 Federal Register. Submit comments to: Policy Office, FSIS, USDA, Room 3175-S, Washington, D.C. 20250.

FROM OUR RADIO SERVICE **AGRICULTURE USA #1637...**(Weekly 13½ min documentary) The worst locust invasion in 30 years has Central Africa bracing for extensive crop damage. George Holmes talks to experts about fighting desert locusts and the damage to the African grain crops.

AGRITAPE/FARM PROGRAM REPORT #1625...(Weekly reel of news features) USDA news highlights; Insect invasion; EC apply policy irks U.S.; World pulse grade may add up to more than "a hill of beans"; A business that's jumping.

CONSUMER TIME #1117...(Weekly reel of 2½-3 min features) Happy food shoppers?; Celebrating the EFNEP program; It just isn't cricket; Fiber on the label; Teaching children self care.

USDA RADIO NEWS SERVICE...Tues, Oct. 18, Weekly crop and weather, Rice outlook; Wed, Oct. 19, U.S. dairy outlook; Thurs, Oct. 20, Agriculture outlook, Catfish; Fri, Oct. 21, Cattle on feed, Livestock slaughter; Mon, Oct. 24, Eggs, chickens and turkeys. Dial the USDA National News Line 202-488-8358 or 8359. All material changed at 5 p.m. ET each working day.

TELEVISION SERVICE programs, A BETTER WAY, DOWN TO EARTH, AGRICULTURAL UPDATE and SATELLITE NEWS are available on satellite Westar IV, audio 6.2 or 6.8 as follows:

Thursdays....AG UPDATE/SATELLITE NEWS, 7:30-7:45 p.m. ET.....Transponder 12D

Saturdays....A BETTER WAY, 10:00-10:30 a.m. ET.....Transponder 10D
ORIGINAL DOWN TO EARTH, 10:30-11:00 a.m. ET....Transponder 10D
UPLINK SATELLITE NEWS/AG UPDATE, 11:00-11:15 a.m. ET.....Transponder 10D

Mondays.....A BETTER WAY, 8:00-8:30 a.m. ET.....Transponder 12D
REPEAT DOWN TO EARTH, 8:30-9:00 a.m. ET....Transponder 12D
UPLINK SATELLITE NEWS/AG UPDATE, 9:00-9:15 a.m. ET.....Transponder 12D

A BETTER WAY is also available on The Learning Channel SATCOM 3R, Transponder 2, Audio 6.8 each Thursday at 10:30 a.m. ET.

OFFMIKE

1988 Ak-Sar-Ben Agricultural Achievement Award...has been presented to Bryce Anderson (Farm Director WOWT, Omaha, NB). He was selected for contributions to Nebraska agriculture and as an outstanding spokesman in agricultural news media. Congratulations. New dealerships...for farm equipment is reported by Chuck Zimmerman (Ind. Florida Agrinet, Ocala, FL). Demand is expected to rise in '89 based on improved economics and more acres planted. 4-H Appreciation Night...was held in Princeton, New Jersey to honor Phil Alampi (New Jersey 4-H Development Fund). 63 years ago Phil started the first 4-H club in the state. Are ag organization pioneers in your region being recognized? New Videos...are available from USDA's Office of Transportation. One is how to take advantage of five basic elements of cattle behavior to move them more easily, runs 18 minutes; the other outlines how to safely transport and handle pesticides, runs 15 minutes. Contact Larry Mark, Room 1147, South Building, USDA, Washington, D.C. 20090. (202) 447-3977.

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Halloween...is almost upon us. Lora Minter, (U-Nevada College of Agriculture) says treats, not sweets, can be just as much fun for kids. Suggests items such as crayons, pencils, fruit, party favors, or sugarless gum. If your listeners just have to make it candy she suggests hard candy rather than chocolate. The sugar and fat in chocolate doubles the calories. Speaking of Halloween, A Gold Record...has been earned by our Gary Crawford (USDA radio) His record HAUNTED HOUSE has topped the million mark. He produced the record while on leave at the Disney studios in California. Gary also produced sound effects for the movie THE BLACK HOLE.



VIC POWELL, Chief, Radio and Television Division